



ACTION ITEMS – JULY 2002 BOARD MEETING

COMMUNICATIONS AND PUBLIC EDUCATION COMMITTEE

The board:

- Approved the committee's goal statement: Proactively provide relevant information to consumers and pharmacists.
- Reported that *Health Notes* #6 on Quality Assurance Program should be released by September 2002.
- Reported that *Health Notes* #7 on Geriatrics is under development with the goal of distributing it by January 2003.
- Reported that staff attended two public education fairs. One was in Redding that was sponsored by the Area Agencies and Aging and the other one was in San Diego – Scam Jam 2002, by the San Diego Better Business Bureau and various media. Over 3,000 individuals attended the latter event.
- Reported that the publications and public outreach positions were frozen by the Governor's hiring freeze and are proposed to be eliminated in the Governor's Budget for 2002/03. This means that the publication of *The Script* and public education outreach efforts are put on hold until the positions can be filled or resources redirected to assist in these program areas.
- Agreed to co-sponsor with the Department of Consumer Affairs and the UCSF Center for Consumer Self-Care a seminar series of health care topics to be presented monthly in Sacramento. The series begins October 2002 and will end May 2003. Topics under consideration for this series are: Facts and Fiction Regarding Alternative Medicine, Understanding Direct-to-Consumer Advertising, Pain Management and End-of-Life Care, Understanding Home Testing Options, Worldwide Implications for Antibiotic Use and Misuse, Latest in Smoking Cessation and Women's Health Care

LICENSING COMMITTEE

The board:

- Took a support position to amend California Code of Regulation (CCR) section 1793.3 to eliminate the ratio on the number of non-licensed pharmacy personnel (clerk-typists) that a pharmacist on duty can supervise.
- Agreed to sponsor legislation to allow a pharmacist at his/her discretion to supervise two interns.
- Approved the request from La Clinica Pediatric Pharmacy for waiver of California Code of Regulations section 1717(e) to allow the delivery of prescription drugs to a medical clinic.

- Approved the committee's goal statement: Ensure the professional qualifications of pharmacists and establish the minimum standards for board-licensed facilities.
- Approved new strategic activity to consider the feasibility of the need for regulation of Pharmacy Benefit Managers (PBMs).

ENFORCEMENT COMMITTEE

The board:

- Decided not to pursue a proposal that would assert itself in the restitution process on behalf of consumers and agreed that the remedy for restitution appropriately remains within the civil justice process.
- Adopted a compliance guideline on Electronic Signatures.
- Delegated to a board member and supervising inspector the authority to hold an office conference pursuant to CCR section 1775.5(c) when a licensee requests such an office conference to contest the issuance of a citation and fine.
- Approved the committee's goal statement: Exercise oversight on all pharmacy activities.

LEGISLATION AND REGULATION COMMITTEE

The board:

- Reported that the rulemaking file for CCR section 1707.2 (Notice to Consumers) was filed with the Office of Administrative Law on July 9, 2002.
- Held an informational hearing on the proposed guidelines for compounding injectible sterile drug products.
- Reported that the Department of Consumer Affairs approved the proposed regulations establishing a citation and fine for patient privacy and Internet dispensing violations. The regulations will be submitted to the Office of Administrative Law once the Department of Finance approves the fiscal impact statement.
- Reported that the notice to amend the following regulations were filed with the Office of Administrative Law: CCR 1717(e) – allows for the delivery of medications to a non-pharmacy location where the patient receives health care services, CCR 1720.4 – specifies the procedure for foreign trained pharmacists to use an outside reviewer to obtain verifiable transcripts to be eligible to take the pharmacist licensure examination, and CCR 1745 – makes the partial refill regulation consistent with recent changes to the Schedule prescription requirements. Additionally, the board filed with OAL a list of “Section 100” changes that make technical corrections to existing regulations.
- Approved the committee's goal statement: Advocate legislation and promulgate regulations that advance the vision and mission of the Board of Pharmacy.

ORGANIZATIONAL DEVELOPMENT COMMITTEE

The board:

- Reported that the Legislature is recommending that the Governor transfer \$6 million from the board's reserve to the state's General Fund. There is language in the trailer bill that will prohibit the board from increasing fees to offset the loss of revenue, but the Department of Finance must review the board's fund condition to assure that it does not have a deficit situation arise once the fund is depleted, at which point the loan will be repaid. Because the board's annual expenditures greatly exceed annual revenue (a \$2.5 million gap is projected for 2002/03), next year (June 30, 2003) – after the loan – the board is expected to have 4 months of operating expenses left. And two years from now (June 30, 2004), the board will have only 0.1 months of expenditures remaining in its reserve. Although there is a prohibition of raising fees established by the Legislature when it borrowed the fund, the board may need to consider raising fees via a regulation change beginning July 2003. If the board chooses to do this, the regulation hearing must take place in January 2003.
- Reported that due to the deteriorating fiscal forecast for California, the Legislature is recommending the elimination of all vacant positions. This means that the board is targeted to lose four positions in its Sacramento office. They are two clerical positions (a receptionist and complaint technician) and two associate analysts (the newsletter editor and the public outreach coordinator).
- Reported that the hiring freeze instituted by the Governor on October 23, 2001, is still in place, which resulted in the board being left with seven vacant positions in its Sacramento office. New hires, transfers from other (non-board) agencies or promotions have all been "frozen" by the executive order. In December exemptions from the hiring freeze were sought for three of the seven positions with critical board impact. In late March, only one of the three exemptions was approved. This position was filled in June.
- Reported that the following augmentations currently in the state budget for 2002/03 are \$247,000 (requested \$847,000) and \$172,000 ongoing. A Finance Letter was approved to implement SB 293 (Torlakson), which requires the board to issue a special license to pharmacies. The board will receive \$309,000 (2002/03) and \$272,000 ongoing for one supervising inspector, one inspector and one technician and operating expenses. A second Finance Letter was also approved. This one was submitted by the Department of Finance to fund CURES by the Medical Board, Dental Board, Board of Pharmacy and the Osteopathic Medical Board. The board's share is \$68,000. The Department of Consumer Affairs submitted a third Finance Letter (also approved) to cover the \$25,000 increase in the board's rent.
- Approved the board's Sunset Report and proposed recommendations. Board members to submit comments on the draft by August 2, 2002.
- Added a new strategic objective to redesign and reformat the board's strategic plan into a new strategic management plan structure for 2003/04 fiscal year.
- Approved the committee's goal statement: Achieve the board's mission and goals.
- Approved the board's Strategic Plan for 2002/03 with the new vision, mission and goal statements.

- Approved the April 2002 board meeting minutes.
- Reported that the following budget proposals that were approved by the board at its April meeting will be submitted. They are: \$530,000 for 2002/03, and \$618,000 for ongoing expenditures. This is a budget realignment to provide funding to budget areas underfunded in prior years, but which were partially funded from salary savings from unfilled inspector positions or redirected from other budget areas and \$130,000 for one analyst and one clerical position for the Complaint Unit to process, monitor and mediate complaints and investigations, and meet the increased workload expected from establishing an 800-telephone line for consumers that will be printed on the revised Notice to Consumers, and \$600,000 for drug buys and one staff person to form an aggressive unit to investigate and prosecute pharmacies that dispense prescription drugs from the Internet.